BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

RIDE-ALONG EXPERIMENT EXTENSION Docket No. MC2001-3

DIRECT TESTIMONY
OF
SAMUEL J. KOROMA
ON BEHALF OF
UNITED STATES POSTAL SERVICE

1 2 3	AUTOBIOGRAPHICAL SKETCH
4	My name is Samuel J. Koroma. I am an economist in the office of
5	Classification and Product Development, Pricing and Classification, at the United
6	States Postal Service. My current autobiographical information can be found in
7	Docket No. R2001-1, USPS-T-44, page i.

1 TESTIMONY

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2 This testimony supports the Postal Service's request for an extension of 3 the Ride-Along experiment. This extension would allow the experiment to 4 continue until such time as the Postal Service's request to make the 5 experimental classification permanent, for which my testimony in Docket No. 6 R2001-1 (USPS-T-44) provides support, can be considered and a permanent 7 classification can be implemented. In the event that the permanent 8 classification is not recommended, the experiment would expire at the time that 9 other Periodicals rates resulting from the rate case are implemented. 10 The reasons presented in my rate case testimony for making the Ride-11 Along classification permanent also support extension of the experiment. Those 12 reasons are incorporated by reference into this testimony. The cost and revenue 13 effects of Ride-Along are also already documented to the extent available in the 14 rate case, which assumes an uninterrupted continuation of the service through 15 the test year in that case. 16 Extension of the experiment will provide a seamless transition from the 17 experiment to a permanent classification. It will avoid any interruption in actual 18 service until the permanent classification and rate can be implemented. Without 19 an extension the experiment will expire on February 26, 2002. Even if the 20 Commission expedites litigation of the rate case, the earliest one could expect 21 implementation of the results of the rate case would be several months from the

time the experiment expires. Such an interruption in the service would be

1 disruptive to Periodicals mailers, advertisers, and the Postal Service. Mailers 2 would have to adjust their advertising strategies and budgets, and the Postal 3 Service would have the additional administrative burden of implementing both a 4 cessation of the experiment and then, if ultimately by the Commission and 5 implemented by the Postal Service, its reinstatement. Periodicals mailers plan their advertising budgets significantly in advance and would be well served to 6 7 know as early as possible whether the Ride-Along experiment will continue past 8 February 26, 2002. 9 In the event the Commission does not recommend making the experimental service permanent, under the classification language proposed in 10 11 this case, the experiment would expire at the same time that Periodicals rates 12 resulting from the rate case are implemented. This would avoid the need for an 13 extra set of rate schedule changes and all the associated implementation efforts

and expense required on the part of the Postal Service, mailers, and third

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parties.

POSTAL RATE COMMISSION DOCKET NO. MC2001-3 DECLARATION OF SAMUEL J. KOROMA

I hereby declare, under penalty of perjury, that:

The Direct Testimony of Samuel J. Koroma on Behalf of United States Postal Service, USPS-T-1, was prepared by me or under my direction; and

if I were to give this testimony before the Commission orally today, it would be the same.

Samuel J. Koroma

Date: